

REMARKS

The Office Action dated November 16, 2007 has been received and carefully considered. Claims 1, 12, 18, 24, 29 and 42 have been amended. Entry of the amendments to claims 1, 12, 18, 24, 29 and 42 is respectfully requested. Reconsideration of the outstanding rejections in the present application is also respectfully requested based on the following remarks.

I. **THE OBVIOUSNESS REJECTION OF CLAIMS 1-29 AND 42-45**

On page 2 of the Office Action, claims 1, 4-12, 16-18, 22-29 and 42-45 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,590,107 to Chen *et al.* ("Chen") in view of U.S. Publication No. 2002/0167890 to Duroj ("Duroj"). On page 7 of the Office Action, claims 2-3, 13-15, and 19-21 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Chen in view of Duroj and in further view of U.S. Patent No. 6,725,303 to Hoguta *et al.* ("Hoguta"). These rejections are hereby respectfully traversed.

As stated in MPEP § 2143.03, to establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). That is, "[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 165 USPQ 494, 496 (CCPA 1970).

Regarding claim 1, the Examiner asserts that Chen as modified by Duroj discloses the claimed invention. *See* Action, page 2. Applicant respectfully disagrees.

Although Applicant does not agree with the pending rejections, Applicant has nonetheless amended the claims to clarify the claimed systems and methods. For example, claim 1, as amended, now recites a card "wherein the user is granted access to the at least one merchant

after the user is authenticated." Support for this limitation is found throughout the specification.

See, e.g., Page 15, lines 3-12.

Applicant respectfully submits that none of the cited references teach or suggest -- alone or in combination -- any feature or functionality whereby a user is granted access to the at least one merchant after the user is authenticated. For example, Chen, the primary reference, expressly discloses that the user is granted access to merchants -- and indeed is permitted to place an order -- before the identity of the user is authenticated or verified:

When a transaction is to be carried out, the customer selects the appropriate wallet, depending for example on which "credit card" he or she wishes to use, by retrieving the software from a disk, or inserting a smart card into a card reader, and establishes communications with the merchant. The customer then makes an order and the merchant requests an authorization ticket in the form of payment or account information encrypted by one of the public keys in the public key file. Selection of the public key may be in response to transmission from the merchant of a public key identifier associated with the public key. If the card has been inserted into a card reader, or if the software has been provided with provision for accepting a PIN number, entry of the PIN number can be required to proceed with the transaction at this time to unlock the information stored in the wallet or to verify the user identity as part of the credit card verification, and in addition the authenticity of information in the wallet can be verified using the techniques described in copending U.S. patent application Ser. No. 08/285,134.

See, e.g., Chen, Col. 6, lines 29-47. (emphasis added)

Applicant respectfully submits that Chen fails to teach or suggest each and every recitation of claim 1, as amended. Further, Applicant respectfully submits that the other cited references -- Duroj and Hoguta -- fail to make up of Chen's deficiencies in this regard. Thus, Applicant respectfully submits that claim 1, as amended, is allowable over the cited references.

Regarding claims 12, 18, 24, 29 and 42, these claims recite subject matter related to claim 1. Thus, the arguments set forth above with respect to claim 1 are equally applicable to claims 12, 18, 24, 29 and 42. Accordingly, is it respectfully submitted that claims 12, 18, 24, 29 and 42

are allowable over the cited references for the same reasons as set forth above with respect to claim 1.

Claims 2-11, 13-17, 19-23, 25-29 and 43-45 depend from independent claims 1, 12, 18, 24 and 42 respectively and thereby incorporate the respective limitations of the independent claims. If an independent claim is nonobvious under 35 U.S.C. 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988). Accordingly, claims 2-11, 13-17, 19-23, 25-29 and 43-45 should be allowable at least by virtue of their dependency on the independent claims. Moreover, these claims each recite features or functionality not taught or suggested by the cited references, either alone or in combination. For example, claim 8 recites the system of claim 1, wherein the processing device comprises a product or service providers' point of sale terminal. Applicant respectfully submits that none of the cited references -- either alone or in combination -- teach or suggest the system of claim 1, wherein the processing device comprises a product or service providers' point of sale terminal, as expressly required by claim 8.

For at least the foregoing reasons, it is respectfully requested that the aforementioned obviousness rejection of claims 1-29 and 42-45 be withdrawn.

II. CONCLUSION

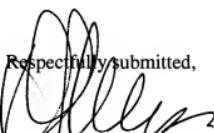
In view of the foregoing, it is respectfully submitted that the present application is in condition for allowance, and an early indication of the same is courteously solicited. The Examiner is respectfully requested to contact the undersigned by telephone at the below listed telephone number, in order to expedite resolution of any issues and to expedite passage of the present application to issue, if any comments, questions, or suggestions arise in connection with the present application.

To the extent necessary, a petition for an extension of time under 37 CFR § 1.136 is hereby made.

Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account No. 50-0206, and please credit any excess fees to the same deposit account.

Dated: 2/19/08

By:


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